



**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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**Gloria Molina
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Commissioners

Carlos Jackson
Executive Director

May 6, 2008

Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVE THE PURCHASE OF DELL COMPUTERS CORPORATION
EQUIPMENT FOR TECHNOLOGY INFRASTRUCTURE UPGRADE
(ALL DISTRICTS) (3 Vote)**

**CIO RECOMMENDATION: (X) APPROVE
() APPROVE WITH MODIFICATION () DISAPPROVE**

SUBJECT

The Commission is in the second year of its six-year upgrade plan, which necessitates the purchase of replacement servers to continue the modernization of infrastructure.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the purchase of computer equipment to upgrade infrastructure is not subject to the California Environmental Quality Act (CEQA) because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.
2. Approve and authorize the Executive Director to execute a purchase order with Dell Computers Corporation (Dell) to upgrade the Commission's technology infrastructure, following approval as to form by County Counsel; and authorize the Executive Director to use for this purpose \$296,900 in Investment Technology Funds included in the Commission's approved Fiscal Year 2007-2008 budget.
3. Authorize the Executive Director to increase the amount of the purchase order by up to \$29,690 for unforeseen costs using the same source of funds described above.



PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

Fourteen critical business applications run on equipment that is prone to hardware malfunction, resulting in system downtime. The Commission has designed a long range plan to improve its technology infrastructure. In May 2007, the Commission purchased one blade chassis with ten blade servers, ten applications servers, two tape backup libraries, and one Storage Area Network (SAN) switch from Dell.

The purpose of this action continues the upgrade to the Commission's technology infrastructure using the VMWare model of moving applications from outdated machines to high availability virtual servers. The Commission's purchase of VMWare allows one physical server to run multiple virtual servers simultaneously. Clustering VMWare servers provides business continuity in the event of primary server failure. In addition, the Commission employs failover replication between major sites in the event of a site disaster.

FISCAL IMPACT / FINANCING:

There is no impact on the County general fund. The purchase will be funded with up to \$326,590 in Investment Technology Funds included in the Commission's approved Fiscal Year 2007-2008 budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The requested equipment purchase will not exceed a cost of \$326,590. This cost includes Dell's five-year extended warranty on the servers.

The Chief Information Office (CIO) has reviewed and approved this request as reflected in the CIO Analysis provided as an attachment to this letter.

ENVIRONMENTAL DOCUMENTATION:

Computer equipment purchases are exempt from the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3), because they involve activities that will not have a physical impact or result in any physical changes to the environment. These activities are also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS:

The Commission is taking advantage of the discounted price for Dell equipment leveraged through the National Association of State Procurement Officials (NASPO).

NASPO conducted a competitive bidding process consistent with the Commission's policies and procedures for the type of equipment the Commission now seeks to purchase. NASPO has a Master Price Agreement (#A63307) with Dell dated September 14, 2006, which makes the equipment available to state and local agencies within the state at discounted prices.

IMPACT ON CURRENT SERVICES AND PROJECTS:

If approved, the purchase of Dell equipment would ensure that the Commission could provide the infrastructure necessary to support the myriad of applications the Commission utilizes.

Respectfully submitted,

Reviewed by:

for Bobbette A. Glover

CARLOS JACKSON
Executive Director
COMMUNITY DEVELOPMENT COMMISSION
COUNTY OF LOS ANGELES

Richard Sanchez

RICHARD SANCHEZ
Interim Chief Information Officer
COUNTY OF LOS ANGELES

Attachments: 1

CIO ANALYSIS

PURCHASE OF DELL COMPUTERS FOR TECHNOLOGY INFRASTRUCTURE UPGRADE (ALL DISTRICTS) (3 VOTES)

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION
☐ DISAPPROVE

Contract Type:

☐ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☒ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: 5 Years # of Option Yrs: 0

Contract Components:

☐ Software ☒ Hardware ☐ Telecommunications
☒ Professional Services

Project Executive Sponsor: Carlos Jackson, Executive Director, CDC

Budget Information :

Y-T-D Contract Expenditures	\$ 0
Requested Contract Amount	\$ 296,900
Requested Contingency	\$ 29,690
Aggregate Contract Amount	\$ 326,590

Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project sub vented?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved.

Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT and security Standards?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Has data for this contract and/or project been entered into the Information Technology Tracking System (ITTS)? A one-time hardware purchase does not require tracking via ITTS.

Project/Contract Description:

The Community Development Commission (Commission) plans to upgrade aging network infrastructure equipment via a purchase from Dell Computer Corporation (Dell) of six (6) servers and a number of small ancillary components. This purchase will be funded through the Commission's Investment Technology Funds in its approved Fiscal Year 2007-2008 budget, and will not exceed \$326,590. There is no impact on the County's General Fund.

Background:

The Commission is making steady progress on a multi-year plan to stabilize and upgrade its overall technology environment. The purchase identified within the attached Board Letter supports objectives identified in the Commission's plan.

Project Justification/Benefits:

The purchase of this infrastructure equipment supports the Commission's migration to virtual servers. A virtual environment allows one physical server to simultaneously run multiple virtual servers, which should yield cost efficiencies through reduced support, power and space requirements.

Project Metrics:

Project metrics are not required for this equipment purchase.

Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved:

If this purchase is not approved, the Commission's network infrastructure would be less stable, which could potentially impact productivity if the aging equipment were to fail. Additionally, incremental progress in implementing improvements to the Commission's overall technology would be delayed.

Alternatives Considered:

Dell equipment is the Commission's recommended standard for networking infrastructure equipment, therefore, no other alternatives were considered. However, the Commission has competitively bid this equipment to ensure good pricing.

Project Risks:

None.

Risk Mitigation Measures:

None.

Financial Analysis:

The anticipated purchase cost for this infrastructure upgrade is \$296,900. The Commission is also requesting authority to increase the purchase order by no more than 10% for unforeseen costs, which brings the total request to \$326,590. The funds will originate from the Commission's approved Investment Technology Funds in its Fiscal Year 2007-2008 budget.

After conducting a competitive bid process and consulting with the County's Internal Services Department about discounted pricing available via Master Agreements, the Commission has concluded that the pricing available via the National Association of State Procurement Officials (NASPO) is the most cost effective purchase method. The Commission has utilized NASPO for prior equipment purchases.

CIO Concerns:

None.

CIO Recommendations:

My Office recommends Board approval of the proposed acquisition.

CIO APPROVAL

Date Received:

April 16, 2008

Prepared by:

Janeke Hall

Date:

4/23/2008

Approved:

[Signature]

Date:

4/23/2008